

CITY OF FAIRFIELD

RESOLUTION NO. 2012 - 53

A RESOLUTION OF THE CITY COUNCIL DECLARING A FISCAL EMERGENCY

WHEREAS, the City of Fairfield is facing a severe and immediate budget crisis as a result of the State Legislature's adoption of AB X1 26 which eliminated redevelopment agencies in California resulting in cities across the state losing millions of dollars used to fund affordable housing, local job creation, and economic revitalization; and

WHEREAS, the City has been fiscally responsible, balancing budgets during the recession, but State financial take-aways are forcing the City to make severe cuts to essential services; and

WHEREAS, the City has already reduced staff by more than 20 percent, cut most employee salaries by 10 percent, increased employee contributions to health and pension benefits, and instituted two-tier pensions for most employees; and

WHEREAS, without additional locally-controlled revenue, the City will not be able to protect our quality of life, the character of our community and local property values; and

WHEREAS, pursuant to Article XIIC, Section 2 of the California Constitution, the City Council is declaring a fiscal emergency in order to provide the City the option of possibly presenting a local revenue measure to the community for its consideration in November 2012 that, if approved, would maintain essential city services.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF FAIRFIELD HEREBY RESOLVES:

Section 1. A fiscal emergency exists in the City of Fairfield. The City has suffered severe financial harm since 2008 from the Great Recession which was reflected by a very high number of home foreclosures, plummeting house values, a significant reduction in tax revenues and a rate of unemployment higher than the Solano County average. The City cut \$29 million from its budget and eliminated 130 staff positions. Key City services were eliminated or significantly reduced, including City Hall at the Mall, adult recreation programs, building inspection, street maintenance, code enforcement, economic development, crime prevention and fire prevention and inspections. In addition, the City eliminated sworn police officer positions and the crime suppression unit.

On June 28, 2011, the Governor signed AB X1 26 which eliminated redevelopment agencies in California. On February 1, 2012, the Fairfield Redevelopment Agency was dissolved under AB X1 26 with a significant reduction in revenues to the community. The City's General Fund will suffer a recurring net reduction of an estimated \$8 million per year in revenues due to AB X1 26. The annual loss of this revenue to the City is particularly devastating to City staffing and services due to the significant budget and staffing cuts that have already taken place since 2008.

As a result of the loss of redevelopment, the City has implemented additional budget cuts that will result in even further reductions in city services including economic development, code enforcement, planning, and street maintenance. The City also eliminated the Quality Neighborhood Program, which addressed substandard housing conditions and blighted neighborhoods, and eliminated nearly all financial support for the Fairfield Center for Creative Arts that will result in the loss of diverse cultural programming for the community. After these additional cuts, the City will have cut a total of \$37 million from its budget and eliminated 150 staff positions.

If a new locally controlled revenue source is not established in 2012, even more drastic cuts in services will be required by the end of this year. Anticipated cuts include a significant reduction in police services such as slower response times to 9-1-1 calls, fewer neighborhood patrols and more limited criminal investigations. Additional fire service reductions may also occur. The Senior Center, Aquatics Complex at Allan Witt, and the Sports Center at Allan Witt may be closed or hours of operation will be significantly curtailed. Street and park maintenance will be further reduced to unacceptable levels along with the maintenance and repair of other City infrastructure.

These types of cuts will fundamentally impact the community and degrade the quality of life. For this reason, the adoption of this resolution declaring a Fiscal Emergency will maintain all options following additional study and community engagement on the most fiscally responsible solution.

Section 2. The City Council directs City staff to engage with the community in order to investigate and recommend further actions necessary to give Fairfield local control over local funds for local needs in order to protect and maintain essential City services such as crime, drug, and gang prevention programs, 9-1-1 response times, neighborhood police patrols, keeping the existing five fire companies and preventing firefighter layoffs, and preventing facilities such as the Aquatics Complex at Allan Witt, Sports Center at Allan Witt, and senior center from being closed.

PASSED AND ADOPTED this 3rd day of April, 2012, by the following vote:

AYES: COUNCILMEMBERS: Price/Vaccaro/Bertani/Moy/Mraz

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

Nancy F. Pratt
MAYOR

ATTEST:

Janette Bellender
CITY CLERK